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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.
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09/276,823 03/26/99 KAWAN

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TM02/0314

EXAMINER

CALVE, J

ART UNIT

PAPER NUMBER

2164

DATE MAILED:

03/14/01

**Please find below and/or attached an Office communication concerning this application or proceeding.**

**Commissioner of Patents and Trademarks**

# Office Action Summary

Application No.

09/276,823

Applicant(s)

KAWAN, Joseph C., et al

Examiner

Jim Calve

Group Art Unit

2164



☒ Responsive to communication(s) filed on Mar 26, 1999

☐ This action is **FINAL**.

☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

A shortened statutory period for response to this action is set to expire 3 month(s), or thirty days, whichever is longer, from the mailing date of this communication. Failure to respond within the period for response will cause the application to become abandoned. (35 U.S.C. § 133). Extensions of time may be obtained under the provisions of 37 CFR 1.136(a).

## Disposition of Claims

☒ Claim(s) 1-48 is/are pending in the application.

Of the above, claim(s) \_\_\_\_\_ is/are withdrawn from consideration.

☐ Claim(s) \_\_\_\_\_ is/are allowed.

☒ Claim(s) 1-48 is/are rejected.

☐ Claim(s) \_\_\_\_\_ is/are objected to.

☐ Claims \_\_\_\_\_ are subject to restriction or election requirement.

## Application Papers

☒ See the attached Notice of Draftsperson's Patent Drawing Review, PTO-948.

☐ The drawing(s) filed on \_\_\_\_\_ is/are objected to by the Examiner.

☐ The proposed drawing correction, filed on \_\_\_\_\_ is ☐ approved ☐ disapproved.

☒ The specification is objected to by the Examiner.

☒ The oath or declaration is objected to by the Examiner.

## Priority under 35 U.S.C. § 119

☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d).

☐ All ☐ Some\* ☐ None of the CERTIFIED copies of the priority documents have been  
☐ received.

☐ received in Application No. (Series Code/Serial Number) \_\_\_\_\_.

☐ received in this national stage application from the International Bureau (PCT Rule 17.2(a)).

\*Certified copies not received: \_\_\_\_\_

☒ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).

## Attachment(s)

☒ Notice of References Cited, PTO-892

☒ Information Disclosure Statement(s), PTO-1449, Paper No(s). 4, 5

☐ Interview Summary, PTO-413

☒ Notice of Draftsperson's Patent Drawing Review, PTO-948

☐ Notice of Informal Patent Application, PTO-152

--- SEE OFFICE ACTION ON THE FOLLOWING PAGES ---

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## **DETAILED ACTION**

### ***Oath/Declaration***

1. The oath or declaration is defective. A new oath or declaration in compliance with 37 CFR 1.67(a) identifying this application by application number and filing date is required. See MPEP §§ 602.01 and 602.02.

The oath or declaration is defective because:

It does not identify the citizenship of each inventor.

### ***Specification***

2. The disclosure is objected to because of the following informalities:

a. RF antenna (62) of card (12) contactless interface (16) is referred to by numeral (58) on page 11, lines 8-9, and by numeral (66) on page 11, line 16, of the specification. Numeral (58) has been used to denote contact RWD (18) processor (Figure 1), while numeral (66) designates RF antenna of contactless RWD (20) (Figure 1).

Appropriate correction is required.

### ***Claim Objections***

3. Claim 18 is objected to because of the following informalities:

a. There appears to be a typographical error in claim 18, line 2: “an first application”.

Appropriate correction is required.

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***Claim Rejections - 35 USC § 112***

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 19 and 45 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

- a. Several limitations lack antecedent basis. Examples include:

- i. "said first electronic application" (claim 19, line 2). Claim 18, line 2, recites only "a [sic] first application".
- ii. "said second electronic application" (claim 19, line 3). Claim 18, line 3, recites only "a second application".
- iii. "the sufficient amount of application-specific value" (claim 43, lines 2-3).

***Claim Rejections - 35 USC § 102***

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371© of this title before the invention thereof by the applicant for patent.

7. Claims 1-35, 37-42, and 44-48 are rejected under 35 U.S.C. 102(b) as being anticipated by Carlisle et al, U.S. patent 5,649,118.

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Carlisle et al disclose a system and method for performing a financial transaction, including a first electronic application with application-specific value (e.g., Visa, MasterCard, Discover, food stamp, welfare programs, unemployment Accounts A, B, n) (Figure 11; column 2, line 25 et seq), a second application for storing general value (e.g., electronic purse; residual account 1522, savings accounts, checking accounts) (e.g., column 13, line 14 et seq; column 21, line 50 et seq), transaction compatibility/value exchange (e.g., 112, 116, 1522, 1526, 1528) (Figures 12-14; column 1, line 65 et seq; column 22, line 1 et seq; column 23, line 40 et seq; column 24, line 4 et seq), storing application-specific and general value in first and second application (e.g., column 11, line 45 et seq; column 16, line 55 et seq; column 19, line 45 et seq), smart card and corresponding/purchase device (e.g., 410, 415) (Figure 10), and purchase keys (e.g., encryption, PIN, "shared secret" key, plural  $K_{pu}$ ) (e.g., column 4, line 36 et seq; column 7, line 55 et seq; column 9, line 20 et seq; column 11, line 10; column 12, line 42 et seq).

Carlisle et al also disclose a transaction application with specific-general value application compatibility (e.g., Figure 14; column 1, line 65 et seq; column 31, line 2 et seq), communication interface (e.g., 4130, 4140) (Figure 10; column 18, line 43 et seq), contactless interface (e.g., via capacitive interface of plates 4125-4128 and plates 4255-4158) (Figure 10; column 18, line 43 et seq), cross-formatting utilization for combined exchange (e.g., Figure 14; column 1, line 65 et seq; column 4, line 1 et seq; column 21, line 56 et seq), memory (e.g., EEPROM 4115) (e.g., column 17, line 47 et seq; column 19, line 35 et seq), first terminal (e.g., R/W 415) (e.g., column 18, line 1 et seq), adjusting the amount (e.g., via account debit) (e.g., Figure 12; column 20, line 42 et seq), second terminal (e.g., R/W 418), second terminal transaction application (e.g.,

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application software, UPC application, item tables) (e.g., column 17, line 29 et seq; column 19, line 7 et seq; column 19, line 45 et seq), auto-load (e.g., column 16, line 55 et seq), application-specific value exchange from general value (e.g., column 3, line 54 et seq), debit to checking/savings/credit/debit (e.g., column 13, line 14 et seq; column 21, line 47 et seq), specific and general value exchange (e.g., column 1, line 65 et seq; column 22, line 30 et seq), using smart card transaction application (e.g., column 17, line 42 et seq), auto-loading new application-specific value to complete a transaction (e.g., via debt algorithm, residual account) (e.g., column 23, line 10 et seq; column 23, line 40 et seq), merchant POS network (e.g., Figure 10; column 17, line 22 et seq), exchanging sufficient application-specific value/exchanging deficient amount in general value (e.g., via debt priority algorithm) (Figures 13, 14; column 23, line 10 et seq), tracking usage (e.g., via Audit Trail) (column 16, line 41 et seq) for rewards (e.g., frequent shopper's discount) (e.g., column 20, line 15 et seq), funding source for receiving funds for transferring value to a smart card (e.g., via auto-load) (e.g., column 16, line 55 et seq), and settlement system (e.g., column 2, line 30 et seq; column 14, line 35 et seq).

8. Claims 1-7 and 13-17 are rejected under 35 U.S.C. 102(e) as being anticipated by Taskett, U.S. patent 5,991,748.

Taskett discloses a financial transaction system, including first electronic application (e.g., phone card) with application-specific value (e.g., 508, 510) (e.g., Figures 2, 5A, 5B; column 6, line 17 et seq), second electronic application (e.g., credit/debit card, or the like) with general value (e.g., 512-518) (e.g., column 2, line 17 et seq; column 5, line 30 et seq).

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Taskett also discloses a compatible first transaction application (e.g., column 2, line 40 et seq), contactless communication interface (e.g., 316, 318) (Figure 3; column 5, line 3 et seq), cross-formatted settlement system and transfer of specific and general value (e.g., column 2, line 40 et seq), and auto-load from general value (e.g., column 7, line 65 et seq) from a checking/debit card (e.g., column 8, line 24 et seq).

***Claim Rejections - 35 USC § 103***

9. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

10. Claim 36 is rejected under 35 U.S.C. 103(a) as being unpatentable over Carlisle et al, in view of Taskett, U.S. patent 5,991,748.

Carlisle et al disclose a financial transaction method, as discussed, including exchanging specific value and automatically loading new specific value (e.g., via debt priority algorithm) to complete a transaction. To the extent that Carlisle et al do not disclose exchanging all of a specific value, and to the extent that such a step would not have been obvious to one of ordinary skill in the art, Taskett, discloses a method of performing a financial transaction with a "smart" card, including exchanging all of an application-specific value (e.g., phone account) and automatically loading new application-specific value to complete a financial transaction (e.g., column 7, line 15 et seq; column 7, line 59 et seq; column 8, line 12 et seq). Automatically

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loading new application-specific value provides an improved means to complete a transaction without interruption (e.g., column 2, line 45 et seq). It would have been obvious to one of ordinary skill in the art at the time of the invention to automatically replenish exhausted application-specific value to complete a financial transaction, as taught by Taskett, on the method of Carlisle et al, to provide an improved means to complete a financial transaction.

11. Claims 36 and 43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Carlisle et al, in view of Hogan, U.S. patent 5,557,516..

Carlisle et al disclose a financial transaction method, as discussed, including exchanging specific value and automatically loading new specific value (e.g., via debt priority algorithm) to complete a transaction. To the extent that Carlisle et al do not disclose exchanging all of a specific value, and to the extent that such a step would not have been obvious to one of ordinary skill in the art, Hogan discloses a smart card (Figure 2A; column 3, line 17 et seq) financial transaction method, including exchanging all of an application-specific value and automatically loading new application-specific value to complete a transaction (e.g., Figure 7; column 3, line 10 et seq; column 5, line 20 et seq; column 6, line 30 et seq). Automatic reloading of specific value provides an improved means for completing financial transactions (e.g., column 3, line 1 et seq). It would have been obvious to one of ordinary skill in the art at the time of the invention to automatically add a predetermined amount of application-specific value to a smart card, as taught by Hogan, on the method of Carlisle et al, to complete a financial transaction more efficiently.

12. Claim 43 is rejected under 35 U.S.C. 103(a) as being unpatentable over Carlisle et al, in view of either of Kasai et al, U.S. patent 6,058,382, or Davis et al, U.S. patent 6,038,549.



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Carlisle et al disclose a financial transaction method, as discussed, including specific-value exchange and adding a predetermined amount of “general” value to a smart card (e.g., via auto-load) (e.g., column 16, line 55 et seq). To the extent that Carlisle et al could be interpreted not to disclose loading a predetermined amount of “specific” value (e.g., via debt priority algorithm loading), and to the extent that such addition would not have been obvious to one of ordinary skill in the art (e.g., based on Carlisle et al’s express teaching to automatically add general value) as a convenient means of loading additional specific value onto a smart card, Kasai et al disclose a financial transaction method, including providing a specific value exchange (e.g., from purse 14) (e.g., column 5, line 20 et seq) and adding a predetermined amount of specific value to complete a financial transaction (e.g., column 5, line 45 et seq). Further, Davis et al disclose a financial transaction method, including loading a predetermined amount of application-specific value to a smart card (1014) (e.g., column 24, line 20 et seq). Loading a predetermined amount of specific value provides an improved means to ensure that sufficient funds exist to complete financial transactions (e.g., Carlisle et al, column 16, line 55 et seq; Kasai et al, column 1, line 50 et seq) by automatically replenishing “cash on hand” as needed by a user (e.g., Davis et al; column 24, line 45 et seq). It would have been obvious to one of ordinary skill in the art at the time of the invention to load a predetermined amount of specific value, as taught by either of Kasai et al or Davis et al, on the method of Carlisle et al to provide a means of facilitating financial transactions.

### ***Conclusion***

13. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

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- a. Berger et al, U.S. patent 6,168,083.
- b. Teicher, U.S. patent 6,076,075.
- c. Owens et al, U.S. patent 6,047,267.
- d. Brennan, U.S. patent 6,014,648.
- e. Baker et al, U.S. patent 5,884,292.
- f. Taylor, U.S. patent 5,578,808.
- g. Derksen, U.S. patent 5,478,993.
- h. Naruse et al, U.S. patent 4,973,828.
- i. Halpern, U.S. patent 4,859,837.
- j. Everett et al, EP 836,731 B1..
- k. Rigney, Melanie Ed., *1998 Advanced Card Technology Sourcebook* (Faulkner & Gray 1997) pp 106-117, 121-122.

14. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Jim Calve, whose telephone number is (703) 308-1884. The examiner can normally be reached on Tuesday through Friday from 6:45 am to 6:45 pm. If the examiner is unavailable, the examiner's supervisor, Vincent Millin, may be reached at (703) 308-1065. The fax number for this organization is (703) 305-9051/9052. Any inquiry of a general nature should be directed to the receptionist at (703) 305-3900.

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